Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	**)**	
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Telephone Number Portability	**)**	**CC Docket No. 95-116**
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To the Commission:

Reply Comments of:

TEXAS STATEWIDE TELEPHONE COOPERATIVE, INC.

Brazos Telecommunications, Inc.
Brazos Telephone Cooperative, Inc.
Cameron Telephone Company
Cap Rock Telephone Cooperative, Inc.
Central Texas Telephone Cooperative, Inc.
Coleman County Telephone Cooperative, Inc.
Colorado Valley Telephone Cooperative, Inc.
Comanche County Telephone Company, Inc.
Community Telephone Company, Inc.
Cumby Telephone Cooperative, Inc.
Dell Telephone Cooperative, Inc.
E.N.M.R. Plateau Communications, Inc.
Eastex Telephone Cooperative, Inc.
Electra Telephone Company
Etex Telephone Cooperative, Inc.
Five Area Telephone Cooperative, Inc.
Ganado Telephone Company, Inc.
La Ward Telephone Exchange, Inc.
Lake Livingston Telephone Company
Lipan Telephone Company
Livingston Telephone Company
Mid-Plains Rural Telephone Cooperative, Inc.
Nortex Communications, Inc.
North Texas Telephone Company
Panhandle Telephone Cooperative, Inc.
Peoples Telephone Cooperative, Inc.
Riviera Telephone Company, Inc.
Santa Rosa Telephone Cooperative, Inc.
South Plains Telephone Cooperative, Inc.
Tatum Telephone Company
Taylor Telephone Cooperative, Inc.
Wes-Tex Telephone Cooperative, Inc.
West Plains Telecommunications, Inc.
West Texas Rural Tel. Cooperative, Inc.
XIT Rural Telephone Cooperative, Inc.

Texas Statewide Telephone Cooperative, Inc. ("TSTCI") is an association representing nineteen (19) telephone cooperatives and sixteen (16) commercial companies who provide local exchange service in the State of Texas and are within the jurisdiction of the Public Utility Commission of Texas. A list of TSTCI member companies represented is on the cover sheet of this filing.

TSTCI submits these reply comments in response to comments filed in response to the Commission's Further Notice of Proposed Rulemaking (FNPRM), released November 10, 2003, regarding technical impediments and regulatory requirements to wireless-to-wireline porting when the wireline facilities serving the customer requesting the port are not in the same rate center as the wireless number (rate center disparity); regarding other competitive issues arising from the mismatch of the wireless and wireline rate centers, and regarding porting interval.

Problems Created by Rate Center Disparity Associated with Wireless-to-Wireline Porting

The comments filed by several parties (South Dakota Telephone Association, et al., Verizon, Qwest, NENA, SBC, BellSouth and the Oklahoma Rural Telephone Carriers, in addition to TSTCI) make a powerful case for drawing the following conclusions about the problems associated with requiring wireless-to-wireline porting with rate center disparity: 1) there is not a significant demand for wireless-to-wireline porting; 2) the costs to LECs associated with implementing wireless-to-wireline porting when there is rate center disparity far outweigh the benefits to customers; 3) the regulatory issues are very complex, and the Commission lacks jurisdiction over intrastate rates and services, including LEC calling scopes; 4) requiring wireless-to-wireline porting when there is rate center disparity would only increase the competitive disparity placed on LECs by the Commission's November 10, 2003 order. In particular, rural LECs would be especially disadvantaged.

The commenters cited above detailed the substantial network, provisioning and billing costs that rate center disparity would entail for the LEC industry. The rural LEC segment of the wireline industry is already disproportionately burdened with the issue of compensation for the transport costs of delivering ported calls to distant wireless rate centers.[1]

The Commission's November 10 order failed to address this issue or to provide any direction as to how these costs would be recovered by rural LECs.[2] If the rural LECs are required to implement wireless-to-wireline porting when there is rate center disparity, they would also be faced with significant threats to their access and toll revenue streams. Expanding local calling scopes are a major issue for rural LECs, and rural ILECs cannot expand their calling scopes without causing major effects on their access and toll revenue streams. SBC's comments point out that there is a serious potential for some customers to game the system at the expense of other customers.[3] SBC's comments discuss the potential for wireline customers to port their numbers to wireless providers and then back to their wireline carrier, taking their wireless calling

[1] Telephone Number Portability, CC Docket No. 95-116, Memorandum Opinion and Order and Further Notice of Proposed Rulemaking, released November 10, 2003, para. 39-40. NECA and NTCA Comments on CTIA's January 23rd Petition at 6.
[2] Id. para.40.
[3] SBC Comments, page 8.

scope with them.[4] This type of behavior has the potential to seriously undermine rural LEC access and toll revenues at the expense of those customers who do not engage in this behavior. As TSTCI discussed in its comments, requiring porting when there is rate center disparity has the potential to violate Texas Commission statutes and rules.[5] TSTCI's comments discussed the issue of Expanded Local Calling Service (ELCS) in Texas and the issues created by rate center disparity. Texas PUC rules also require extended area service (EAS) which is another type of expanded calling service to be priced to recover the LEC's cost of providing the service, including the cost of lost toll and access revenues. As a result, EAS Service is rarely implemented in Texas. If EAS is optional for customers, it typically cannot be priced at a competitive rate for a rural customer and still allow the ILEC to recover its costs. Requiring wireless-to-wireline porting when there is rate center disparity would enable customers to circumvent the regulatory scheme in Texas and wreck havoc on rural LEC revenue streams. As South Dakota's comments point out, this would disadvantage those customers who do not game intermodal porting.[6]

Commenters (NENA, SBC and BellSouth) also raised the issue of E911 routing impacts and the need for significant upgrades to E911 routers and trunks caused by rate center disparity. This issue is also a particular concern to TSTCI member companies. In Texas, E911 costs are funded by fees and surcharges on the telephone bills of end user customers. If intermodal porting is required in cases of rate center disparity, the required upgrades to the E911 network would likely fall on end user customers, and in Texas customers would see increased E911 fees and surcharges on their telephone bills. There has not been any evidence presented to warrant these expenditures for E911 upgrades, nor have the potential costs been explained to consumers.

The basic message of many of the comments filed is that the costs associated with wireless-to-wireline porting in cases of rate center disparity far outweigh the benefits to consumers who have not demonstrated a strong demand for this service since intermodal porting began. In addition, the costs and potential revenue impacts to rural LECs are especially troubling since rural LECs are already burdened with the costs of transporting ported calls to distant wireless rate centers.

<u>Porting Interval</u>

These same arguments are applicable to the porting interval issue. Commenters (Qwest, SBC, BellSouth) have shown that the costs of reducing the four-day porting would entail significant costs to LECs without any demonstrated need or demand for shorter intervals on the part of consumers. Rural LECs would face similar costs of changing provisioning and operations service and support systems to reduce the four-day porting interval. In addition, rural LECs have the disadvantage of having almost no experience with wireline-to-wireline porting. TSTCI respectfully requests that the Commission be mindful of these cost/benefit arguments and not exacerbate the competitive disparity already placed on wireline carriers by the November 10 order by shortening the four-day porting interval.

In summary, there has not been any evidence presented in the filed comments to justify intermodal porting when rate centers do not match or to justify reducing the four-day porting interval. The costs to wireline carriers of implementing wireless-to-wireline porting with rate

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[4] TSTCI urges the Commission to address this problem regardless of the Commission's decision to require porting in cases of rate center disparity.
[5] TSTCI Comments, page 2.
[6] South Dakota Telecommunications Association et al. Comments, page 3.

center disparity and reducing the porting interval far exceed the demonstrated benefits to consumers. Further, rural LECS would bear a disproportionate cost burden because first, the Commission has not provided a solution to the transport cost recovery issue and second, there is a real potential for negative impacts on rural LEC access and toll revenue streams from changes in rural customers' calling scopes. TSTCI urges the Commission to take the significant potential impacts on rural LECs into account when deciding these issues. TSTCI appreciates this opportunity to provide reply comments and to express the concerns of rural Texas ILECs.

Respectfully submitted,

Texas Statewide Telephone Cooperative, Inc.

Cammie Hughes

By: Cammie Hughes
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